

**Associate Administrator's Message****James E. Caponiti****The Importance of the Maritime Security Program**

On November 24, 2003, the President signed the National Defense Authorization Act for Fiscal Year 2004, which includes a ten-year \$1.734 billion reauthorization of the Maritime Security Program (MSP). In reauthorizing MSP, and by expanding the fleet from its current 47 ships to 60, Congress recognized the importance of this program, which helps assure a continuing U.S.-flag presence in international trade.

MARAD provides financial assistance to qualified MSP companies that operate their vessels in international trade and commit ships, capacity, and intermodal resources to the Voluntary Intermodal Sealift Agreement (VISA) program. These MARAD programs provide the Department of Defense assured access to commercial sealift capability, and they provide employment to U.S.-citizen mariners who crew MARAD's Ready Reserve Force and the Military Sealift Command's surge sealift vessels. In addition, the reauthorization calls for the construction of five militarily useful product tankers in U.S. shipyards, thereby providing a significant boost to commercial shipbuilding in the United States.

On October 15, 2004, MARAD received applications from 142 companies for 25 ships. After reviewing the applications, MARAD and the U.S. Transportation Command will select the 60 most militarily useful and commercially viable ships. Approved applicants will be notified on January 12, 2005, and MSP agreements are scheduled to be executed January 24-28, 2005.

MARAD's Ready Reserve Force Continues Exemplary Performance During Fiscal Year 2004

By William F. Trost, Director,
Office of Ship Operations

During fiscal year 2004, the Maritime Administration's (MARAD) Ready Reserve Force (RRF) continued its excellent record of critical mission support to the Department of Defense (DOD) and overall performance. The RRF achieved almost 4800 days of full operational support in the fiscal year, which is equal to more than 13 ships fully crewed and operational on any given day. So while the RRF is part of the federal inactive fleet held in reserve for surge sealift support to DOD, it is far from inactive.

During its operation in fiscal year 2004, the fleet averaged 99 percent reliability as a result of the strong partnership between MARAD, our RRF ship managers, the sea-going labor unions, and the U.S. ship repair industry. The overall readiness also continued its recent high standards as all seven ships subject to DOD no-notice or turbo activations met their prescribed readiness timelines and conducted successful sea trials. As we enter a new fiscal year and sealift for OPERATION IRAQI FREEDOM continues, MARAD and the RRF remain ready and prepared to support our critical national security missions in Iraq and other missions around the globe and at home.

Upcoming Events

Containerization and Intermodal Institute
2004 Connie Awards Honoring Nicola Arena and Charles Raymond

Newark, NJ
December 9, 2004
(732) 817-9131

World Research Group
Maritime Port and Cargo Security Summit

San Diego, CA
January 25-26, 2005
www.worldrg.com

If you know of an upcoming event you would like published in the *MARAD Update*, please submit it to Ella Thomas at ella.thomas@marad.dot.gov.